

MAR 10 2023

SENATE CONCURRENT RESOLUTION

URGING THE PROCUREMENT POLICY BOARD TO AMEND AND CLARIFY THE ADMINISTRATIVE RULES RELATING TO SMALL PURCHASES TO ALLOW THE EXPENDITURES FOR GOODS, SERVICES, AND CONSTRUCTION WITH AN ESTIMATED TOTAL COST OF LESS THAN \$5,000 TO BE AWARDED IN ANY MANNER THAT THE PURCHASING AGENCY DEEMS PRACTICAL OR CONVENIENT.

1 WHEREAS, the Legislature enacted the Hawaii Public
2 Procurement Code under chapter 103D, Hawaii Revised Statutes, in
3 1993 to provide for fair and equitable treatment of all persons
4 dealing with the procurement system; foster broad-based
5 competition among vendors while ensuring accountability,
6 transparency, fiscal responsibility, and efficiency in the
7 procurement process; and increase confidence in the integrity of
8 the system for expenditure of public funds; and
9

10 WHEREAS, the Hawaii Public Procurement Code authorizes the
11 Procurement Policy Board to adopt administrative rules that
12 govern the procurement, management, control, and disposal of any
13 and all goods, services, and construction pursuant to section
14 103D-202, Hawaii Revised Statutes; and
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16 WHEREAS, under section 103D-305, Hawaii Revised Statutes,
17 small purchase procurements of less than \$100,000 for goods or
18 services or \$250,000 for construction are subject to rule-based
19 small purchase procurement procedures and must be procured
20 through an electronic system, while small purchase procurements
21 of less than \$25,000 are exempt from the electronic system
22 requirements and subject to administrative rules regarding
23 minimum requirements for quotes; and
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25 WHEREAS, under section 3-122-75, Hawaii Administrative
26 Rules, the expenditures of goods, services, and construction
27 with an estimated total cost of less than \$5,000 are subject to
28 procedures established by the chief procurement officer of each
29 purchasing agency; and



1
 2 WHEREAS, to ensure fiscal responsibility and efficiency in
 3 the procurement process, the source selection methods for small
 4 purchase procurements of less than \$5,000 should be determined
 5 in a manner that is deemed practical or convenient by the
 6 purchasing agency; now, therefore,

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 8 BE IT RESOLVED by the Senate of the Thirty-second
 9 Legislature of the State of Hawaii, Regular Session of 2023, the
 10 House of Representatives concurring, that the Procurement Policy
 11 Board is urged to amend and clarify the administrative rules
 12 relating to small purchases to allow the expenditures for goods,
 13 services, and construction with an estimated total cost of less
 14 than \$5,000 to be awarded in any manner that the purchasing
 15 agency deems practical or convenient; and

16
 17 BE IT FURTHER RESOLVED that the Procurement Policy Board is
 18 requested to issue interim rules by procurement directives to
 19 allow expenditures for goods, services, and construction with an
 20 estimated total cost of less than \$5,000 to be awarded in any
 21 manner that the purchasing agency deems practical or convenient;
 22 and

23
 24 BE IT FURTHER RESOLVED that the Procurement Policy Board is
 25 requested to audit and monitor the implementation of this
 26 administrative rule change pursuant to section 103D-202, Hawaii
 27 Revised Statutes, and to submit a report of its findings and
 28 recommendations, including any proposed legislation, to the
 29 Legislature no later than twenty days prior to the convening of
 30 the Regular Session of 2024; and

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 32 BE IT FURTHER RESOLVED that a certified copy of this
 33 Concurrent Resolution be transmitted to the Chairperson of the
 34 Procurement Policy Board.

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 37 OFFERED BY: 

